

**RECIPROCAL OF AMERICA and
THE THREE TENNESSEE RECIPROCAL COMPANIES**

I. RECIPROCAL OF AMERICA (ROA)

- Virginia domiciled reciprocal company
- Operating since 1977: all books, records in Virginia
- Managed by Virginia company: The Reciprocal Group
- Reinsures liabilities of 3 Tennessee Reciprocal Companies
- Writes coverage directly to Tennessee consumers
 - Unpaid claims in Tennessee (9/30/02): \$14.2M
- Placed into receivership by Virginia Insurance Bureau January 29, 2003

II. AMERICAN NATIONAL LAWYERS' INSURANCE RECIPROCAL (ANLIR)

- Tennessee domiciled reciprocal company
- Operating since 1993: all books, records in Virginia
- Provides legal malpractice insurance
- Managed by Virginia-based company: The Reciprocal Group
- Tennessee lawyers currently covered (12/31/02): 3,540
- Open Claims, Nationwide (2/4/03): 843, totaling \$45.1M
- Liquid Assets (2/3/03): \$6.6M
- ROA Reinsurance Obligation to ANLIR (12/31/01): \$51.8M – current information unavailable due to denial of access by Virginia Receiver
- Placed into receivership by TDCI January 31, 2003

III. DOCTORS' INSURANCE RECIPROCAL (DIR)

- Tennessee domiciled reciprocal company
- Operating since 1990: all books, records in Virginia
- Provides physicians malpractice insurance
- Managed by Virginia-based company: The Reciprocal Group
- Tennessee doctors currently covered (12/31/02): 8
- Open Claims, Nationwide (2/4/03): 1,189, totaling \$81.2M
- Liquid Assets (2/3/03): \$5.2M
- ROA Reinsurance Obligation to DIR (12/31/01): \$142.5M – current information unavailable due to denial of access by Virginia Receiver
- Placed into receivership by TDCI January 31, 2003

IV. THE RECIPROCAL ALLIANCE (TRA)

- Tennessee domiciled reciprocal company
- Operating since 1995: all books, records in Virginia
- Provides health facility/employee malpractice insurance
- Managed by Virginia-based company: The Reciprocal Group
- Tennessee facilities currently covered (12/31/02): 368
- Open Claims, Nationwide (2/4/03): 585, totaling \$55.4M
- Liquid Assets (2/3/03): \$16.8M
- ROA Reinsurance Obligation to TRA (12/31/01): \$57.3M – current information unavailable due to denial of access by Virginia Receiver
- Placed into receivership by TDCI January 31, 2003

(All figures are unverified and must be confirmed by TDCI when access/information is provided by Virginia Receiver).